

Helping Serbians Legalize Their Homes

Challenge

The Serbian government passed legislation that radically changed mortgage finance - serving notice that illegal construction during the Milosevic era would not be tolerated. These dwellings were considered illegal because no construction permits were obtained for building, thus residents could not demonstrate ownership or rights of use. The law gave owners of an estimated 1,000,000 dwellings six months to register for legalization or see their homes demolished. Beginning May 13, 2003, as many as one million families were required to begin the process of legalization, a relatively lengthy and potentially expensive process.

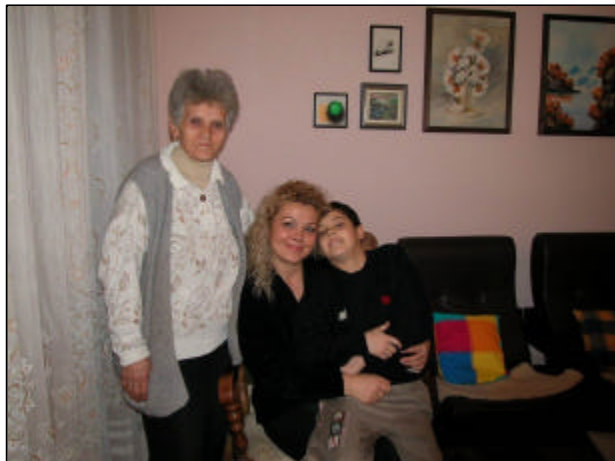


Photo: USAID/Serbia Betina Moreira
Sladjana Pekarski and family in their Kaludjerica apartment.

“The municipality came to my home and explained legalization to me. I received a packet of information and it was very clear what steps I needed to take. Within 2 months, I finished my application. This is a very important thing for me and my son.”

- Sladjana Pekarski of Kaludjerica.

Results

The survey results were used to develop a brochure which provided information on the value of a legally titled home and detailed instructions about complying with the application process. Broadcast media aired spots to support the initiative. Municipal staff were trained to collect, process, and handle the deluge of applications by the deadline. In the municipality of Grocka, the largest extra-legal settlement in Serbia, more than 60% of families who had built illegally now comply with the law. The Kaludjerica neighborhood was transformed from the most illegal neighborhood in the country to the most legal in just six months.

Initiative

USAID helped homeowners in Serbia legalize their homes. This gave Serbia a much-needed push towards developing a real estate market. USAID teamed up with the General Development Office in Serbia to identify areas where training and technical assistance could support municipalities in helping citizens comply with the law through two rapid response projects.

Communication, public education, and awareness campaigns were implemented with the Ministry and targeted municipalities. Survey results informed ministry officials and municipal leaders on how to motivate citizens to apply for legalization. Of primary importance was educating citizens that once legalized their homes represented financial assets that could be pledged as collateral and transferred to their children.